



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
CHICAGO DISTRICT, U.S. ARMY CORPS OF ENGINEERS
111 NORTH CANAL STREET
CHICAGO IL 60606-7206

Technical Services Division
Construction – Operations Branch

SEP 06 2005

Mr. Mike Molnar
Program Manager
Lake Michigan Coastal Program
402 West Washington Street, Room W265
Indianapolis, Indiana 46204-2782

Dear Mr. Molnar,

The U.S. Army Corps of Engineers (USACE), Chicago District, is proposing to perform maintenance dredging in the vicinity of the Northern Indiana Public Service Company (NIPSCO) Bailly Generating Station intake structure, located near Burns Waterway Harbor in Porter County, Indiana. The proposed activities include the annual dredging of approximately 100,000 to 400,000 cubic yards of sand from the vicinity of the intake structure using mechanical and/or hydraulic dredging equipment and occasionally dredging sand from the pipes within the intake structure using hydraulic dredging equipment. The first annual dredging event is planned for the summer of 2006. Two locations west of the Burns Small Boat Harbor are proposed for the disposal of the dredged material and, for both locations, the sand shall be used for beach nourishment. The proposed disposal methods are placement by barge in the near-shore of Lake Michigan or by pumping the sand directly onto the existing beach using hydraulic equipment. On August 1, 2005, the USACE, Chicago District, sent applications for this project to the Indiana Department of Environmental Management (IDEM), requesting a five-year Section 401 Water Quality Certification, and to the Indiana Department of Natural Resources (IDNR), requesting a five-year Navigable Waterways Act permit. These applications are attached to this letter to provide supporting information.

The submission of this letter is in accordance with the provisions of Title 15 Code of Federal Regulations (CFR) Section 930 *et seq.* and Section 307 of the Coastal Zone Management Act of 1972, as amended. The U.S. Army Corps of Engineers (USACE), Chicago District, has reviewed the proposed activity with regard to the provisions of Indiana's Lake Michigan Coastal Program and determined that this activity is consistent to the maximum extent practicable with the enforceable policies of that coastal zone management program. Pursuant to 15 CFR Section 930.41, we are requesting that you advise us of your concurrence with or objection to our consistency determination at the earliest practicable time, after providing for public participation, and we will presume your concurrence if a response is not received within 60 days from your receipt of this consistency determination and supporting information.

We appreciate your attention and look forward to hearing from you in regard to this matter. If you have any questions, feel free to contact Richard Saichek at (312) 846-5507. Please send your response to the following address:

U.S. Army Corps of Engineers, Chicago District
ATTN: CELRC -- TS-HE (Richard Saichek)
111 North Canal Street, Suite 600
Chicago, IL 60606-7206

Sincerely,

A handwritten signature in black ink, reading "Jeff K. Zuercher". The signature is fluid and cursive, with a long horizontal line extending from the end of the name.

Jeff Zuercher, P.E.
Project Manager

2 Enclosures